



February 9, 2026

To: Senate Committee on Labor and Business
From: Peter Hainley, CASA of Oregon
Re: Support for HB 1566

Chair Taylor and Vice-Chair Hayden and Members of the Committee,

My name is Peter Hainley, and I am the Director of CASA of Oregon. CASA expresses our support for Senate Bill 1566 which would exempt prevailing wage requirements for affordable housing projects. In particular, our work preserving Manufactured Dwelling Parks/Manufactured Home Communities (MHCs) as resident-owned cooperatives rely on state funding for infrastructure repairs. These repairs trigger prevailing wage requirements that add substantial cost and increased rents for low and very-low income Oregonians.

Oregon law currently requires affordable housing developers to pay the higher prevailing wage rate for any development, including affordable housing projects. SB 1566 replaces costly, unpredictable case-by-case determinations with clear statutory rules for qualifying affordable housing projects, eliminating uncertainty that has repeatedly undermined feasibility. By reducing late-stage cost shocks, the bill enables faster, more reliable closings, restores lender confidence, and allows sponsors to move projects forward on schedule—an absolute necessity in a high interest rate, high-inflation environment where delays can kill deals outright. Most critically, by avoiding unnecessary 10–20% cost inflators, SB 1566 ensures scarce public dollars produce more homes, not fewer, directly advancing the Legislature’s stated goal of maximizing housing production during an ongoing housing crisis.

MHCs, for the most part, are affordable residential housing. As such, they should be exempt from prevailing wage requirements. Currently, BOLI is concluding that because most of the planned construction work is related to infrastructure, it is not “residential housing” and, therefore, not exempt from payment of Prevailing Wage Rates (PWR) for affordable housing. The additional PRW cost is directly absorbed by the low income families that live within the park through higher rents. For one of our preserved parks, this will add about \$804K in PWR costs and \$8,000 in PWR compliance monitoring. The impact to the residents from that additional cost is approximately a \$50 per month increase in their space lease.

By extending the exemption to preserve affordable housing and related uses such as child care, SB 1566 will enable affordable housing developers to ensure the maximum level of affordability for the residents as well as child care providers. We call on this committee to expand that exemption to affordable housing projects and ensure that MHCs preserved as co-op, non-profit or housing authority-owned housing is exempt from prevailing wage.

Thank you for your service to the people of Oregon.

Sincerely,

Peter Hainley,
Executive Director